

# **EXHIBIT 5**

C.B.  
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OF NEW YORK ANNOTATED

**Book 3B**  
**Arts and Cultural Affairs Law**

**2011**  
**Cumulative Pocket Part**

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Current Through the Laws of 2010, chapters 1 to 59 and  
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**Includes Commentaries by**  
**Elizabeth Block**

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**\$ 25.27****ARTS AND CULTURAL AFFAIRS****ARTICLE 25—TICKETS TO PLACES OF ENTERTAINMENT**

*[Eff. until May 16, 2011, pursuant to L.1991, c. 704, § 4.  
See also, Art. 25 Theatre Tickets, ante.]*

**Section**

- 25.01. Legislative findings.
- 25.03. Definitions.
- 25.05. Repealed.
- 25.07. Ticket prices.
- 25.08. Additional printing on tickets.
- 25.09. Ticket speculators.
- 25.11. Resales of tickets within buffer zone.
- 25.13. Licensing of ticket resellers.
- 25.15. Bond.
- 25.17. Supervision and regulation.
- 25.19. Posting of license or certificate.
- 25.21. Change of office location.
- 25.23. Posting of price lists; information to purchaser.
- 25.24. Automated ticket purchasing software.
- 25.25. Records of purchases and sales.
- 25.27. Commissions to employees of places of entertainment.
- 25.29. Unlawful charges in connection with tickets.
- 25.30. Operator prohibitions.
- 25.31. Suspension or revocation of licenses.
- 25.33. Private right of action.
- 25.35. Criminal penalties.

**Historical and Statutory Notes****L.2010, c. 151 legislation**

L.2010, c. 151, § 11, provides:

"Notwithstanding the provisions of article 5 of the general construction law, if this act shall take effect after May 15, 2010, the provisions of article 25 of the arts and cultural affairs law, except section 25.11 are hereby revived and shall continue in full force and effect as they existed on May 15, 2010 through May 15, 2011, when upon such date such provisions shall expire and be deemed repealed."

**L.2007, c. 61 legislation**

L.2007, c. 61, § 19, as amended by L.2007, c. 374, § 12, eff. July 18, 2007, provides:

"This act shall take effect immediately, provided this chapter shall not take effect with respect to the issuance of licenses or certificates under this article by the secretary of state or department of state until January 1, 2008 and regulation under this article by the commissioners of licenses of the political subdivisions of the state shall continue through December 31, 2007, and provided further,

that the amendments to article 25 of title G of the arts and cultural affairs law made by sections one through fifteen of this act shall not affect the repeal of such article and shall be deemed repealed therewith; and provided further that section seventeen of this act shall take effect upon the reversion of article 25 of title G of the arts and cultural affairs law pursuant to section 4 of chapter 704 of the laws of 1991, as amended."

**L.2005, c. 106 legislation**

L.2005, c. 106, § 11-a, added by L.2005, c. 134, § 6, eff. June 30, 2005, deemed eff. June 14, 2005, provides:

"Notwithstanding the provisions of article 5 of the general construction law, the provisions of article 25 of title G of the arts and cultural affairs law are hereby revived and shall continue in full force and effect as they existed on May 31, 2005 and shall be subject to the repeal and reversion of such article pursuant to chapter 704 of the laws of 1991, as amended."

**L.1991, c. 704 legislation**

L.1991, c. 704, § 4; amended L.1994, c. 319, § 1; L.1995, c. 114,

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§ 1; L.1996, c. 28, § 1; L.1  
632, § 1, deemed eff. June 1  
L.1998, c. 73, § 1, eff. June  
L.1999, c. 60, § 1, eff. June  
L.2000, c. 42, § 1, eff. June  
L.2001, c. 48, § 1, eff. May 3  
deemed eff. June 1, 2001; L.  
56, § 7, eff. June 8, 2001; L.  
68, § 1, eff. June 10, 2003; L.  
106, § 10, eff. June 14, 2005;  
c. 61, § 1, eff. May 31, 2007;  
c. 374, § 11, eff. July 18  
L.2009, c. 68, § 2, eff. June  
deemed eff. June 1, 2009; L.  
151, § 5, eff. July 2, 2010, p

"This act [adding Arts and Affairs Law article 25, set out repealing Arts and Cultural Law article 25; set out five amending] McK. Unconsolidated § 8919 shall take effect on the fifth day after it shall have become law [became law Aug. 2, 1991 Oct. 1, 1991] provided, chapt the laws of 2007 shall not take effect with respect to the issuance of licenses or certificates under this act by the secretary of state or department of state until January 1, 2008 and regulation under this article

**§ 25.01. Legislative findings**

*[Eff. until May 16, 2011.  
See also, § 25.01 in Article 25]*

The legislature finds and declares that admission to places of entertainment and subject to the supervision of political subdivisions of the state against fraud, extortion and corruption.

The legislature further finds and declares that New York state often from time to time to the provisions of this statute when selling tickets to places of entertainment within the state, regardless of the place of sale. It is the legislature's intent that persons reselling tickets to places of entertainment within the state have the same power and that this article be construed accordingly. (Added L.1991, c. 704, § 4; L.1994, c. 319, § 1; L.1995, c. 114, § 1; L.1996, c. 28, § 1; L.1997, c. 60, § 1; L.1998, c. 73, § 1; L.1999, c. 42, § 1; L.2000, c. 48, § 1; L.2001, c. 56, § 7; L.2002, c. 68, § 1; L.2003, c. 106, § 11-a; L.2004, c. 134, § 6; L.2005, c. 106, § 11-a; L.2006, c. 151, § 1; L.2007, c. 61, § 1; L.2008, c. 151, § 1; L.2009, c. 68, § 2; L.2010, c. 151, § 1; L.2011, c. 151, § 1.)

§ 25.11

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cultural affairs law, as added by this act, shall not apply to tickets printed prior to enactment of such article so long as notice of the higher maximum premium price and prohibition of sales within one thousand five hun-

## **Notes of Decisions**

**Indictment and information** 1

**Probable cause: 2**

## **L. Indictment and information**

Indictment under "anti-scalping law" was facially sufficient in alleging that defendant offered concert tickets for resale and specifying the other conditions that brought him within purview of statute, even though there was no allegation that defendant actually possessed tickets to sell. People v. Osborne, 1999, 180 Misc.2d 152, 688 N.Y.S.2d 874. Public Amusement And Entertainment 177

### **§ 25.13. Licensing of ticket resellers**

[Eff. until May 16, 2011, pursuant to L.1991, c. 704, § 5.  
See also § 25.13 in Art. 25 Theatre Tickets, ante.]

1. No person, firm or corporation shall resell or engage in the business of reselling any tickets to a place of entertainment or operate an internet website or any other electronic service that provides a mechanism for two or more parties to participate in a resale transaction or that facilitates resale transactions by the means of an auction, or own, conduct or maintain any office, branch office, bureau, agency or sub-agency for such business without having first procured a license or certificate for each location at which business will be conducted from the secretary of state. Any operator or manager of a website that serves as a platform to facilitate resale, or resale by way of a competitive bidding process, solely between third parties and does not in any other manner engage in resales of tickets to places of entertainment shall be exempt from the licensing requirements of this section. The department of state shall issue and deliver to such applicant a certificate or license to conduct such business and to own, conduct or maintain a bureau, agency, sub-agency, office or branch office for the conduct of such business on the premises stated in such application upon the payment by or on behalf of the applicant of a fee of five thousand dollars and shall be renewed upon the payment of a like fee annually. Such license or certificate shall not be transferred or assigned, except by permission of the secretary of state. Such license or certificate shall run to the first day of January next ensuing the date thereof, unless sooner revoked by the secretary of state. Such

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license or certificate  
setting forth such infor-  
order to enable him on  
article and shall be ac-  
of state of the moral char-

2. No operator's agent ticket reseller owned or

3. The operator or  
which a ticket is for  
such obstruction. Evi-  
disclosure of such obst-

4. If any licensee business provides a service any fees, surcharge price, on every transaction the delivery of tickets shall be waived.

(Added L.1991, c. 704, § L.2005, c. 107, § 2, eff. L.2007, c. 374, § 5, eff.

L.2010, c. 151, legislation

"Notwithstanding the article 5 of the genera law, if this act shall tak May 15, 2010, the provis 25 of the arts and cultuv except section 25.11 aived and shall continu and effect as they exist 2010 through May 15 upon such date such p expire and be deemed r

L.2009, c. 68 legislation  
L.2009, c. 68, § 4, prc

"This act shall take effect; provided, however, that this act shall not have become effective before June 1, 2009; provided further, that this act shall be deemed to be in full force and effect as of June 1, 2009; provided further, that the amendments to article one, section one of this act, the expiration and repeal, and shall expire a year thereafter."

L.2007, c. 374 legislati  
L.2007 c. 374 § 13

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ed feet from the physical structure the place of entertainment, where applicable, is prominently displayed the point of sale and at such place entertainment."

**sions****Probable cause**

Police officer had probable cause to believe that defendant violated law prohibiting an individual to resell or offer to resell at any price tickets to entertainment venue seating over 10 persons, within 1500 feet of the building, as required for arrest; officer observed defendant saying to persons by that he had tickets to a seat approximately 200 feet from entrance to entertainment venue. *People v. Lewis* (1 Dept. 2008) 503d 695, 857 N.Y.S.2d 88, leave to appeal denied 11 N.Y.3d 790, 866 S.2d 616, 896 N.E.2d 102. Ar-  
Cite 63.4(13)

ers

nt to L.1991, c. 704, § 4.  
*Tickets, ante.*

shall resell or engage in the sale of entertainment or operate a service that provides a participant in a resale transaction by the means of an auction, branch office, bureau, agency having first procured a license business will be conducted by or manager of a website sale, or resale by way of a third parties and does not tickets to places of entertainment requirements of this section deliver to such applicant a ness and to own, conduct or office or branch office for the s stated in such application e applicant of a fee of five on the payment of a like fee shall not be transferred or etary of state. Such license f January next ensuing the e secretary of state. Such

**ARTS AND CULTURAL AFFAIRS****§ 25.13**

license or certificate shall be granted upon a written application setting forth such information as the secretary of state may require in order to enable him or her to carry into effect the provisions of this article and shall be accompanied by proof satisfactory to the secretary of state of the moral character of the applicant.

2. No operator's agent shall sell or convey tickets to any secondary ticket reseller owned or controlled by the operator's agent.

3. The operator or the promoter shall determine whether a seat for which a ticket is for sale has an obstructed view, and shall disclose such obstruction. Every sale or resale of such ticket shall include a disclosure of such obstructed view.

4. If any licensee under this section demonstrates that their business provides a service to facilitate ticket transactions without charging any fees, surcharges or service charges above the established price, on every transaction, except a reasonable and actual charge for the delivery of tickets, then the fees for licensing under this section shall be waived.

(Added L.1991, c. 704, § 1. Amended L.2005, c. 106, § 5, eff. June 14, 2005; L.2005, c. 107, § 2, eff. June 14, 2005; L.2007, c. 61, § 7, eff. May 31, 2007; L.2007, c. 374, § 5, eff. July 18, 2007; L.2009, c. 68, § 1, eff. June 9, 2009.)

**Historical and Statutory Notes****L.2010, c. 151 legislation**

L.2010, c. 151, § 11, provides:

"Notwithstanding the provisions of article 5 of the general construction law, if this act shall take effect after May 15, 2010, the provisions of article 25 of the arts and cultural affairs law, except section 25.11 are hereby revived and shall continue in full force and effect as they existed on May 15, 2010 through May 15, 2011, when upon such date such provisions shall expire and be deemed repealed."

**L.2009, c. 68 legislation**

L.2009, c. 68, § 4, provides:

"This act shall take effect immediately; provided, however, that if this act shall not have become a law on or before June 1, 2009 section two of this act shall be deemed to have been in full force and effect on and after June 1, 2009; provided, further, that the amendments to article 25 of the arts and cultural affairs law, made by section one of this act, shall not affect the expiration and repeal of such article, and shall expire and be deemed repealed therewith."

**L.2007, c. 374 legislation**

L.2007, c. 374, § 13, provides:

"This act shall take effect immediately; provided, however, that the amendments to article 25 of title G of the arts and cultural affairs law made by sections one through ten of this act shall not affect the repeal of such article and shall be deemed repealed therewith."

**L.2007, c. 61 legislation**

L.2007, c. 61, § 19, as amended by L.2007, c. 374, § 12, eff. July 18, 2007, provides:

"This act shall take effect immediately, provided this chapter shall not take effect with respect to the issuance of licenses or certificates under this article by the secretary of state or department of state until January 1, 2008 and regulation under this article by the commissioners of licenses of the political subdivisions of the state shall continue through December 31, 2007, and provided further, that the amendments to article 25 of the arts and cultural affairs law made by sections one through fifteen of this act shall not affect the repeal of such article and shall be deemed repealed therewith; and provided further that section seventeen of this act shall take effect upon the